

# PRESS RELEASE

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## Archer Pushes Ahead With CURA Day Hospitals Sale

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Archer Capital's growth fund is advancing plans to sell its CURA Day Hospitals Group, with management recently returning from an offshore roadshow and vendor due diligence believed to be under way.

CURA owns and operates nine day surgeries across the eastern states and South Australia and is thought to earn about \$15 million earnings before interest, tax, depreciation and amortisation.

The private equity fund bought its stake in March 2008 and has been adding hospitals to its portfolio since.

It's understood Archer Growth has Oaktower Partnership running vendor due diligence, along with an accounting firm. It follows an investor roadshow to Asia and the United States, where the firm met potential buyers.

Sources said Archer Growth had been seeking to sell this calendar year, although Archer says there is no commitment to sell. It's also thought CURA is on the verge of buying another day hospital, continuing its roll-up strategy ahead of a potential exit.

Sources said it was unclear where buyer interest for CURA would come from.

A trade buyer would be able to absorb some of CURA's head office costs and overheads, although the big private hospital players seem to be focused elsewhere.

Ramsay Health Care has shown it is looking to expand in Asia and Europe and would be seeking to bed down its new joint venture with Malaysia's Sime Darby. Rival Healthscope is putting its efforts into organic growth and Brownfield development.

The recently-listed Virtus Health may be interested in individual day surgeries, while global giant BUPA has been quite aggressively buying Australian assets over the past 12-months.

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